

Fiscal Estimate - 2005 Session

Original Updated Corrected Supplemental

LRB Number 05-2302/1	Introduction Number AB-484	
Subject Intoxicating liquor retail license quota exception for certain golf course restaurants		
Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs 3. <input checked="" type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input checked="" type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
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Fiscal Estimate Narratives

DOR 7/8/2005

LRB Number	05-2302/1	Introduction Number	AB-484	Estimate Type	Original
Subject					
Intoxicating liquor retail license quota exception for certain golf course restaurants					

Assumptions Used in Arriving at Fiscal Estimate

Current law prohibits a person from selling alcohol beverages at retail unless the person possesses a license or permit authorizing such sale. A "Class B" license authorizes the sale of intoxicating liquor at retail for consumption on the premises where sold. Current law imposes a quota on the number of "Class B" licenses a municipality can issue which is determined by a formula. Current law also provides quota exceptions for a full-service restaurant with a seating capacity of 300 or more and for a hotel that has 50 or more rooms and has a restaurant or banquet room meeting certain criteria.

Under current law, each municipality establishes an annual fee, generally between \$50 and \$500, for a "Class B" license, except that the fee for initial issuance of a reserve "Class B" license (generally one first issued after December 1, 1997) may not be less than \$10,000. Current law does not specify a minimum or maximum initial issuance fee or annual fee for "Class B" licenses issued under the two quota exceptions.

This bill creates a third quota exception for any full-service restaurant that has a seating capacity of 75 to 100 persons and that is located on a golf course. A municipality may not establish an initial issuance fee or an annual fee for a "Class B" license issued under this exception that exceeds \$500.

The bill creates an indeterminate, but minor, change in local revenues. If a locality issued a new reserve "Class B" license to the bill's new quota exception in absence of the bill, the initial fee revenue would be at least \$10,000. If an existing "non-reserve" license becomes available and is reissued, however, the fee collected would be between \$50 and \$500. If no license is issued without the bill, no fee revenue is generated. With the bill, the amount of revenue collected may be \$500 or less rather than \$10,000 if a reserve license were issued. Consequently, local revenue could either increase or decrease by a minor amount or be unchanged as a result of the bill.

The Department of Revenue's administrative expenses under this bill will be absorbed within the agency's budget.

Long-Range Fiscal Implications